

# ADE DAILY NEWS CLIPS

February 15, 2013

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## LR district to appeal charter-school ruling (Arkansas Democrat-Gazette)

LITTLE ROCK — The Little Rock School Board voted Thursday to take its legal challenge against state-approved, independently run charter schools in Pulaski County to the 8th U.S. Circuit Court of Appeals in St. Louis. Acting on the recommendation of its attorney, the board voted 5-2 to appeal U.S. District Judge D. Price Marshall Jr.'s Jan. 17 decision, which rejected the Little Rock district's claim that the state violated a 1989 desegregation agreement with the three Pulaski County districts when it authorized the establishment of charter schools.

That 1989 agreement obligated the state to make annual desegregation payments to the three districts and otherwise support their desegregation efforts.

Marshall's order on the charter schools preserves the dozen or so existing charter schools in Pulaski County and clears the way for new ones.

The state and Pulaski County districts committed to support a limited number of special-program magnet schools that are located in Little Rock but are open to students throughout the county, Chris Heller, the district's attorney, told the board.

"Everyone agreed to that ... and that means you don't support a competing system [of charter schools] that undermines the magnet schools you agreed to support," he said.

The district has until Monday to notify the 8th Circuit of the appeal. The written arguments supporting that appeal would be submitted later based on a schedule set by that court.

"Our simple argument is that the state establishing this charter-school system with the vast number of the charter schools being located in Pulaski County ... we think that violates the requirement of the settlement agreement that we all support this system of magnet schools," Heller said.

"The district court said no. The 8th Circuit Court, in reviewing that, would have the opportunity to say yes without any deference to the district court's view," he added.

At the very least, the district, in its appeal, will ask the 8th Circuit Court to direct Marshall to hold a trial on the charter-school issue to develop a complete record of the issues, Heller said.

The district, which is likely to be joined in its appeal by the Joshua intervenors, who represent black students in the district, could go further and ask that the 8th Circuit overturn Marshall's decision and make its own decision about the charter schools and the 1989 settlement.

Marshall's decision was based on written briefs and the oral arguments that were made in a one-day meeting with attorneys last March. The judge ultimately granted the request for summary judgment that was made by the state attorney general's office and by the charter school operators who intervened in the legal dispute.

The judge did not hold a trial in which witnesses would testify and offer supporting data.

The 8th Circuit standard for reviewing the case would be “de novo,” Heller said, meaning the appeals court panel “would be free to make its own decision as to whether charter schools violate the settlement agreement.” That’s in contrast to some other cases where the standard of review is limited to whether a district court judge abused his discretion under the law in making a decision.

In its appeal, the school district will dispute arguments made by attorneys for the state and charter schools, and adopted by Marshall, that charter schools had little effect on magnet school enrollment or participation in the majority-to-minority interdistrict student transfer program.

Heller said the judge considered only the students who went directly from a magnet school to a charter school, but not the overall charter-school enrollment in the county, which totals some 5,000 students.

“All of these 5,000 students have made a choice,” Heller said. “They are exactly the kind of students - students who opted for charter schools - to be the most likely to attend magnet schools or make m-to-m transfers. I think the district court significantly underestimated the impact.”

Heller said he also will argue against Marshall’s finding that the district and the Joshua intervenors waited too long to challenge the charter schools, the first of which opened in 2001. But Heller said a party can’t argue a breached contract until that breach is significant. He also said the district did object to at least nine of the charter schools at the time they were proposed to the state Board of Education for approval.

Heller urged the School Board to appeal in part to receive guidance from the 8th Circuit on whether the district appropriately waited to legally challenge the charter schools.

He said the state’s attorneys are using a similar argument - that the district waited too long to complain about the state’s inaction - in their separate bid to win the state’s release from the 1989 settlement obligations. School Board President Dianne Curry and board members Michael Nellums, Greg Adams, Norma Johnson and Tommy Branch Jr. voted to appeal the charter-school decision.

Board members Jody Carreiro and Leslie Fiskén voted against it.

Adams made the motion to appeal, saying the district needs to be in as strong a position as possible in advocating for the district and that an appeal would help the district in the charter case as well as in the case regarding the state’s release from the 1989 settlement.

Carreiro asked Heller whether the appeal would hinder the opportunity for parties in the desegregation case to attempt to negotiate an end to the case. Heller said the appeal would have the opposite affect. Without the appeal, the district would have to negotiate from a weaker position.

Carreiro said he believes that the district’s case is strong, but he voted against the appeal.

“I feel like that we have lots of distractions,” he said. “If we get all our students educated, then all of this doesn’t matter.”

Fiskén agreed, saying the potential for the case to move from the 8th Circuit back to the District Court and possibly back to the appeals court seemed to be “an exhaustive effort when there are so many other things going on.”

Curry said she supported the appeal because “I want the fairness of being heard. If we don’t go forward, we won’t know the possibilities.”

She said the district is obligated to help all students.

"We have a tough task," Curry said. "Traditional public schools are not like some of the charter schools. The conditions are totally different, and I'm not bashing charter schools. Some are good. A lot of the kids that have opportunities are the ones that have transportation [to charter schools]. Their parents take them to school.

"The point is that poor kids will never have a chance."

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### **Study accuses Ark. schools of disciplining certain group more harshly (KATV)**

Video posted at <http://www.katv.com/story/21203360/study-accuses-ark-schools-of-disciplining-group-more-harshly>

Arkansas schools are being accused of disciplining certain students more than others. A study released today reveals that Black students are more likely to be punished than their White peers.

"We do have some districts with some problems," said Jerri Derlikowski, Director of Education Policy at the Arkansas Advocates for Children and Families.

Derlikowski says the problem is that thirteen school districts in the state are punishing Black students much more frequently and severely than Whites. The main reason, she says, is lack of time and effort on the school's part. This is according to the report, Keeping Kids in Class: Fixing Racial Disparities in School Discipline.

"Some leadership issues it takes a lot of effort," said Derlikowski. "It's harder to do more constructive kinds of discipline," she said.

Dr. Brenda Bowles of the Pulaski County Special School District wasn't surprised that her district made the report's list. But she insists they've made serious efforts to address the issue.

"We recognize that we have a problem when it comes to disproportionate discipline," said Dr. Bowles. "We have a student committee that looks at it, we've piloted several programs to work to address this problem," she said.

Both the district and researchers agree that lack of diversity among teachers contributes to the problem.

"Most school curriculums is based on White middle class standards," said Dr. Bowles. "And we have students that come to school that are non-White, that are not middle class there's a mix match," she said.

But with studies showing that kids who have been suspended just once being much less likely to graduate, Derlikowski says schools need to come up with a better solution soon.

"We're hoping that school will get a conversation going and we can share ideas and maybe take some more constructive practices to help students," said Derlikowski.

Arkansas ranks 15th worst in the nation for student suspensions regardless of race.

For the full report visit: <http://www.aradvocates.org/assets/PDFs/K-12-Education/School-Discipline-Report-Web.pdf>

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## **Public meeting held to discuss fate of old high school campus (The Lovely County Citizen)**

On Tuesday, a public meeting was held at the Inn of the Ozarks Convention Center to begin a dialogue that will be going on for months to come -- namely, what to do with the old high school campus.

The campus has been empty since the new high school opened Jan. 1 and the old campus is for sale -- however, the Eureka Springs School Board has partnered with a group whose purpose is helping cities find uses for spaces just like this one.

Breakthrough Solutions is a strategic planning and development program of the University of Arkansas Division of Agriculture's Cooperative Extension Service with partners in the public, private and non-profit sectors.

The Breakthrough Solutions Program is a comprehensive, asset-based approach to developing communities and regions that are vibrant, sustainable and resilient. In other words, they look at a town like Eureka and help it figure out how to maximize whatever it has going for it, not only in terms of natural beauty but also political, economic, social, overall quality of place and other factors.

The meeting was coordinated between the school district and the Chamber of Commerce.

Much of the meeting was devoted to interaction with the public -- the room was packed -- and suggestions for use of the new property ranged from new city hall, community center and satellite university campus, to trade school, hospital annex, business incubator and senior center.

Dr. Mark Peterson from the Cooperative Extension Service led the meeting, aided by engineer Ed Levy. They showed examples of the successful transformation of neglected properties into beautiful and useful public spaces, including the River Market in Little Rock and others.

"When all the different parts of a community have a shared vision," Peterson said, "it is possible to leverage your assets into spaces that benefit the whole community."

Because the old campus is away from the main tourist area, downtown, but is on US Hwy 62, Levy suggested it would make an idea combination of community center, satellite classes, city hall or boys and girls club.

Mayor Morris Pate spoke about the city's hopes for the space: it would allow city offices to get away from cramped downtown facilities, free the city from paying rent to the county and would make good use of what's known as Building 100 on campus, which may have some issues that need dealing with, such as the roof or the asbestos flooring tiles. A new fire station could be built on the existing parking lot and relieve severely cramped parking for the fire department.

The last thing anybody wants for the space, Levy said, is that it be abandoned, windows broken, vandalized.

Local organic farmer Patrice Gros advocated turning part of the parking lot into the farmers' market, and many agreed.

This meeting will be only the first of a series, Peterson explained, and future planning sessions will take place at different times to allow as much public participation as possible.

For more information on Breakthrough Solutions and the Cooperative Extension Service, go to <http://www.vworks.org/>.

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## **Veni, Vidi, Eureka Red shirts invade Little Rock, take concerns to Capitol steps (The Lovely County Citizen)**

Arkansas state legislators came, ate and discovered what issues were on the minds of Eureka Springs business and community leaders at a luncheon hosted by the Eureka Springs Chamber of Commerce last week in Little Rock. Catered by the Basin Park Hotel Balcony Restaurant, the lunch drew more than 125 lawmakers, agency directors and staff, according to Mike Bishop, Chamber director.

And none had trouble identifying their hosts.

The Eureka delegation focused on issues affecting the local economy and local education, Bishop said, with economic development a main talking point. With a population of 2,200, Eureka Springs does not qualify for state economic development funds or new business incentives, he said, which go to big business and big industrial employers. The Eureka Springs delegation told legislators that providing block grants of \$20,000 to certified Main Street programs and community development corporations would have a ripple effect in the communities that receive them.

"If there were incentives, we could probably get more people to invest in our community," Bishop said.

The delegation included Al Larson, Karen Gros and Sam Kirk of the E.S. School Board and Superintendent Curtis Turner. Their focus: the URT (uniform rate of tax) issue. The E.S. School District won a lawsuit, upheld by the State Supreme Court, to retain tax revenue collected in the district above the standard millage rate of 25 mandated by the state. But the General Assembly may enact new legislation that will change that in the future, a move that has the support of the governor, Bishop said. Sen. Johnny Key (R-Mountain Home) and Sen. Joyce Elliott (D-Little Rock) are expected to introduce the new legislation on the Senate floor, he said.

"They were there and we were able to facilitate meeting with them one on one," Bishop said.

Chamber staff Debbie Coleman and Donna Shepard, board president Debbie Hartsell and spouse Rick Bost drove to Little Rock with Bishop the day before Tuesday's luncheon. On Monday, they visited the office of the Arkansas Hospitality Association, an umbrella organization for the state Lodging, Restaurant and Travel associations. They also visited the Arkansas Chamber of Commerce and Economic Development office.

On Tuesday morning, they attended a breakfast meeting put on by the Great Passion Play leadership team for area pastors at First Baptist Church. That afternoon, Kent Butler, GPP public relations director, gave the prayer at the opening of the Senate's afternoon session. Sen. Bryan King (R-Berryville) invited Bishop, Hartsell and Dan Mumaugh, head of the Chamber's government affairs committee, to join him on the Senate floor and introduced them as his guests after the opening prayer.

The entire delegation visited the governor's office on Tuesday afternoon and posed for a photo with Gov. Mike Beebe. In all, 22 people from Eureka Springs made the trip.

"We had a good day and a good showing," Bishop said.

The Eureka delegation brought poster-sized versions of tourism publications to display at the luncheon, held on the capitol campus in the Capitol Hill Apartments' dining room. All of the promotional material had a swash of the signature Eureka Springs school color, red.

"They couldn't go to the luncheon without knowing who was giving it," Bishop said.

The stressed the importance of tourism to Eureka Springs and its reciprocal benefit to the state, he said. Carroll County consistently ranks fourth in collection of sales tax derived from tourism, Bishop said, after Little Rock, Hot Springs and the Bentonville/Rogers area. Most of the Carroll County revenue comes from Eureka Springs, he said. The importance of maintaining the budget for the state Tourism and Parks Department, the main advertising arm for the state as a tourist destination, was also a talking point.

"We let them know we are alive and well, and a major contributor to the state coffers," Bishop said.

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### **Vilonia schools celebrate diamond award (Log Cabin Democrat, Conway)**

The staff and students at the Vilonia Middle School were told Tuesday, at an Arkansas Diamond Schools to Watch award ceremony, they have "stepped out onto the national stage" regarding education standards.

The event began at 10 a.m. and lasted almost two hours with more than 1,100 in attendance including nearly 800 students. Although it was held in the Vilonia High School gymnasium, it was an exclusive middle school event.

"You have put Vilonia on the map. I hope you realize this is a momentous occasion and enjoy every moment," said Dr. Mona Briggs, a representative of the Diamond Schools to Watch program, addressing the VMS students and staff.

The honor, Briggs explained, is part of a program began by the National Forum to Accelerate Middle Grades Reform, founded in 1997 and comprised of an alliance of more than 81 national associations, foundations, researchers and educators. The National Forum identifies high-performing middle schools and highlights their achievements so other schools might benefit from their example.

VMS, Briggs said, is one of the 13 schools in Arkansas named as Diamond Schools to Watch. Only three, including VMS, were named in the state for 2013. Achieving the accomplishment, Briggs said, was labor intensive with several factors taken into consideration, including academic excellence, developmentally responsive, socially equitable and an infrastructure that promotes teaming and "a sense of belonging."

The staff and students at VMS have a "passionate desire and a can-do attitude," she said. "Today you have stepped out onto the national stage and joined an elite group of teachers and students who are passionate about teaching and learning."

Charles Green, also a representative of the Diamond Schools to Watch, presented a plaque to Cathy Riggins, VMS principal. His comments seemed to be aimed more at the classroom teachers saying having a "can-do" attitude, is what it takes to make the difference in schools.

"That is what is in the schools that make the difference," he added. Dedicated teachers "where the rubber meets the road — in the classroom," is what matters, as well as a strong support system, including encouraging school administrators and a caring Board of Education.

Accepting the award on behalf of the school, Riggins said it is the goal of the VMS to focus on the needs of every student, sometimes looking outside the box for solutions.

“We are proud to serve as a model for other schools in the state and nation,” she said, inviting those in attendance to celebrate.

When speakers weren’t on stage, the air was filled with music including the tune of “Celebration.” Banners lined the walls denoting the different teams in the schools. Names such as Eagle Café Country, Sixth Grade VMS Thunder, VMS FCCLA, Vast Village and Library Crew were on them.

Student Heather Gonzales sang the National Anthem. The VMS seventh grade cheerleaders performed. The seventh grade band played.

Serving as the emcee, Riggins handed out awards to many at the school including teachers, office personnel, cafeteria workers, the custodian, the school nurse, coaches, music teachers, classroom aids and assistant principal Rodney Partee. Students clapped, cheered and bestowed standing ovations.

Riggins also recognized a “special member” of the team teacher Beverly McGuire who lost her battle with cancer last year but worked toward the achievement. McGuire had a passion for VMS and excellent education, Riggins said.

“She was part of this award,” Riggins said. On that note, Riggins asked McGuire’s mother and sisters, who were in the audience, to stand in her honor. The women, Riggins said, drove from Hope for the ceremony.

Dr. Frank Mitchell, Vilonia School superintendent, was also a speaker. He joined the speakers before him in touting the praises of Riggins for her leadership, and the staff and students for the parts they played in the achievement. One of the things he has learned, in his position, he said, is to “stand back, stay out of the way and let good people do a good job.”

“This is something important to know, the recognition today is a voluntary effort. This is something Mrs. Riggins and the staff at the Middle School didn’t have to do,” he said. “They wanted to do this. And, we are proud of them for doing it.”

He talked briefly about the importance of public schools and the missions mandated, including to be responsible for the education of every child—rich or poor.

“We are proud to serve every student in our district,” he said.

Riggins ended the ceremony recognizing audience members referring to them as “stakeholders,” which she defined as parents, business owners, politicians and peers. Looking into the bleachers, Riggins said, she is a Vilonia Eagle and has been proud of being one since she was a small child. She also said she is humbled to work in the school district serving the community she loves and will strive for the school to continue to achieve accolades.

“It’s a great day to be part of VMS,” she concluded. After the ceremony, teachers were provided lunch while volunteers manned the cafeteria.

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## **Merck to pay \$688 million to settle Enhance lawsuits (Orlando Sentinel)**

(Reuters) - Merck & Co has agreed to pay \$688 million to settle two U.S. class-action lawsuits by shareholders who said they lost money because the company concealed the poor results of a clinical trial of the anti-cholesterol drug Vytorin.

The federal lawsuits, led by several pension funds, alleged that Merck and Schering-Plough Corp knew more than a year in advance that the trial, known as Enhance, was a failure, but withheld that information from investors.

Shares of Merck fell nearly 15 percent and Schering fell nearly 21 percent on March 31, 2008, the first trading day after full trial results were released at the American Conference of Cardiology in Chicago. The companies merged in November 2009.

Law firms representing some of the plaintiffs said the combined settlements are among the 10 largest in a securities class-action that did not involve a restatement of financial results.

Christopher McDonald, a partner at Labaton Sucharow representing Schering investors, in a telephone interview said the settlements allow a "significant recovery" for shareholders.

He said that while the federal government has been successful in pursuing large fraud cases against some pharmaceutical companies, "it hasn't translated into any significant uptick in settlements of securities cases."

Merck, based in Whitehouse Station, New Jersey, said it has recorded a \$493 million after-tax charge for the settlements, reducing the company's previously reported profit per share for the 2012 fourth quarter to 30 cents from 46 cents.

Bruce Kuhlik, Merck's general counsel, in a statement said the settlements avoid the uncertainties of a jury trial, which had been scheduled to begin March 4.

Merck also said it believes both companies acted responsibly in connection with the Enhance trial, and that the settlements include no admission of liability or wrongdoing.

"There's probably some merit (to the claims) or they wouldn't have settled for such a large amount," Judson Clark, a health care analyst with Edward Jones, said in a telephone interview. He has a "buy" rating on Merck.

Shares of Merck fell 26 cents to \$40.89 in morning trading on the New York Stock Exchange.

### **LITTLE IMPACT FOUND**

The Enhance trial had sought to demonstrate that Vytorin, a combination drug marketed by Merck and Schering, was more effective than a competing drug in combating atherosclerosis, the buildup of plaque in artery walls.

But the companies announced in January 2008 that Vytorin did not stop plaque any better than an inexpensive statin, Zocor, in high-risk patients with an inherited form of heart disease, though it did significantly reduce cholesterol levels.

Two months later, in announcing full results of the Enhance trial at the Chicago conference, a panel of doctors urged patients to try older cholesterol drugs before Vytorin and Zetia, which Merck and Schering also sold jointly.



Vytorin pairs Zetia with the active ingredient of Zocor. Zetia helps block absorption of "bad" LDL cholesterol in the intestines, and Zocor helps block production by the liver of LDL cholesterol.

Zetia sales totaled \$2.57 billion and Vytorin sales totaled \$1.75 billion in 2012. Combined sales have fallen 17 percent since 2007, before the Enhance trial results were released. Merck posted total sales of \$47.27 billion for 2012.

COURT APPROVAL NEEDED.

Merck said it will pay \$215 million to settle a lawsuit brought by investors in its securities, and \$473 million to settle a lawsuit by Schering investors.

The class period runs from December 6, 2006, through March 28, 2008, for Merck investors, and from January 3, 2007, to March 28, 2008, for Schering investors, court papers show.

Both settlements require approval by U.S. District Judge Dennis Cavanaugh in Newark, New Jersey. He certified both classes of investors in September.

Settlement papers were not immediately available, and it was unclear how much was being set aside to cover legal fees.

Lead plaintiffs in the Merck case include the Netherlands' Stichting Pensioenfond ABP, Luxembourg's International Fund Management SA, the Jacksonville Police and Fire Retirement System in Florida, and the General Retirement System of the City of Detroit.

Lead plaintiffs in the Schering case included the **Arkansas Teacher Retirement System**, the Louisiana Municipal Police Employees' Retirement System, Massachusetts Pension Reserves Investment Management Board, and the Public Employees' Retirement System of Mississippi, court papers show.

The law firms Bernstein Litowitz Berger & Grossmann and Grant & Eisenhofer represent the Merck class. Bernstein Litowitz and Labaton Sucharow represent the Schering class.

The cases are In re: Schering-Plough Corp/Enhance Securities Litigation, U.S. District Court, District of New Jersey, No. 08-00397; and In re: Merck & Co Inc Vytorin/Zetia Securities Litigation in the same court, No. 08-02177.

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### **Netflix shareholders' lawsuit tossed by judge (San Jose Mercury News)**

Netflix (NFLX) won the dismissal of a shareholder lawsuit accusing the dominant U.S. video rental and streaming company of inflating its share price by concealing its rising costs, even as insiders like Chief Executive Reed Hastings sold millions of dollars of stock.

U.S. District Judge Samuel Conti in San Francisco on Wednesday said the plaintiffs failed to show that Netflix materially misled them about its accounting, its pricing trends, the relative profitability of its streaming and DVD businesses, and its dealings with U.S. securities regulators.

He also said Hastings did not materially mislead investors in a conference call on Dec. 8, 2010, when he said Netflix would benefit from a "virtuous cycle" where it could add subscribers and streaming content while lessening its DVD-by-mail costs.

Netflix's share price fell 76 percent between early July and late October 2011, to \$74.25 from \$304.79, as the Los Gatos-based company raised prices, lost subscribers and set plans it soon abandoned to spin off its DVD business.

Much of the decline stemmed from a decision to end a pricing plan that let subscribers stream movies and receive DVDs for \$9.99 per month, and instead offer separate streaming- and DVD-only plans for \$7.99 per month each.

The 60 percent price increase for both services contributed to a loss of 800,000 U.S. subscribers in the third quarter of 2011, industry analysts said.

Netflix later admitted it acted too fast and should have better explained its rising costs to obtain streaming content.

In litigation begun in January 2012, shareholders led by the **Arkansas Teacher Retirement System** and State-Boston Retirement System contended that Netflix misled them about its prospects.

They also said Netflix deceived them by launching a stock buyback program, often a sign that shares might be undervalued, even as insiders were selling close to \$85 million of stock, which can signal the opposite.

Citing an analyst report, they said Hastings earned \$32 million from stock sales over a six-month period in 2011.

Conti nonetheless said the plaintiffs did not prove their claims against Netflix, whose business model "worked exactly as Netflix said it would, until Netflix began to lose subscribers after announcing its price increases and DVD-business spinoff."

He gave the plaintiffs 30 days to amend their complaint.

Stephen Tountas, a lawyer for the plaintiffs, was not immediately available for comment.

Joris Evers, a Netflix spokesman, said the company is pleased with the court's decision.

Netflix's share price has more than tripled from its 52-week low of \$52.81 last August 3. It was aided by the company's surprise profit in last year's fourth quarter, when it added nearly 4 million streaming customers worldwide.

Shares of Netflix closed Thursday up \$1.13, or 0.6 percent, at \$187.40 on the Nasdaq.

The case is In re: Netflix Inc Securities Litigation, U.S. District Court, Northern District of California, No. 12-00225.

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## **Black History Month (Clay County Times-Democrat, column by Governor Mike Beebe)**

This February, the nation once again observes Black History Month. It is a time to honor and explore the culture and history of Black Americans and to recognize that our diversity is one of our great strengths. It is also an

opportunity to remember that we must all work together in making sure that our laws, actions and words honor the rights of every human being.

Although each year Black History Month invites us to look back and remember the lessons of history, this year is especially significant. The Emancipation Proclamation was signed 150 years ago on Jan.1, 1863, paving the way for the modern Civil Rights Movement. This year also marks the 50th anniversary of a defining moment in that movement: Dr. Martin Luther King's eloquent "I Have a Dream" speech.

While those events may seem far away, today we still strive to safeguard the ideals of freedom and justice. Our success depends on the energy, creativity and dedication of every individual toward achieving that goal.

By many measures, Arkansas is succeeding in moving forward together. We continue our advances in public education, and both our Black and white students have shown marked improvement on Advanced Placement exams. The per-capita income of Arkansans continues to move upward. And our economic-development efforts continue to create jobs for all Arkansans.

Recently, I announced plans to build a steel mill in Mississippi County. That one-billion-dollar project offers us a look at both the history and future of the Arkansas Delta. The region's economy is still dominated by agriculture, but advances in technology and changes in the national economy have meant fewer jobs and long-time hardship for many people in the area. But this new steel mill will bolster that industry in the Delta. It can bring 525 well-paying full-time jobs, 2,000 construction jobs, and even more companies to Osceola, Mississippi County, and the Arkansas Delta.

Later this month, the Department of Arkansas Heritage and my office will observe Black History Month in conjunction with the Mosaic Templars Cultural Center. Our program will place a special emphasis on the ways African-American business owners and entrepreneurs have shaped our State in the past, the present and the future. The Mosaic Templars building will provide a fitting backdrop. It was in that building that former slaves built an organization to provide insurance and other benefits to African-Americans at a time when existing businesses would not. It is a powerful story of a community coming together to help each other, and one that is particularly relevant today.

While Dr. King's "I Have a Dream" speech is his best known, my favorite quote comes from another speech he made four years later. It says, in part, "What is needed is a realization that power without love is reckless and abusive, and love without power is sentimental and anemic. Power at its best is love implementing the demands of justice, and justice at its best is love correcting everything that stands against love." It is a sentiment well remembered during Black History month, and during all other months, as well.

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### **Legislative summary (Arkansas Democrat-Gazette)**

LITTLE ROCK — This is a summary list of bills (by bill number, lead sponsor and title) introduced through Thursday in the 89th General Assembly, except for appropriation bills, which, along with other bills and resolutions, may be found at the legislative website: [www.arklegstate.ar.us](http://www.arklegstate.ar.us).

#### **HOUSE**

HB1349, Baine - An act concerning who has the authority to make an arrest in this state.

HB1350, Williams - To amend statutes concerning criminal defendants, the Department of Correction and the Department of Community Correction.

HB1351, Neal - Concerning the medical care afforded inmates of the Department of Correction.

HB1352, Alexander - To amend the provisions for program eligibility in the Arkansas Better Chance Program and to declare an emergency.

HB1353, Catlett - To amend the definition of school district miscellaneous funds and the method of calculating miscellaneous funds.

HB1354, Branscum - To define the term “infamous crime” for the purposes of who shall not be a candidate for or hold public office.

HB1355, B. Wilkins - To align Arkansas’ penalties related to violations of lead-based paint rules with those required by federal law.

HB1356, Scott - To require revocation of the license of a chiropractor convicted of a sex crime; to ensure the safety of patients of chiropractors found guilty of sex crimes by requiring criminal background checks.

HB1357, Kerr - To promote voter turnout and to amend the law to limit the dates on which an election can be held.

HB1358, Talley - To clarify and update the disposition of certain fees collected by the State Crime Laboratory.

HB1359, Talley - To allow attestation of records and reports of the State Crime Laboratory in civil cases and to protect a defendant’s right to cross-examine in civil cases involving attestation.

HB1360, Talley - To update and amend the functions of the State Crime Laboratory.

HB1361, Talley - To add the executive director of the State Crime Laboratory to the State Crime Laboratory Board and to prohibit the executive director from participating in certain actions of the State Crime Laboratory Board.

HB1362, Talley - Concerning the confidential records kept by the State Crime Laboratory.

HB1363, Hobbs - To expand the membership of the Arkansas Early Childhood Commission.

HB1364, Hobbs - To amend the teacher licensure law for nontraditional applicants.

HB1365, Dale - To amend the applicant qualifications for a certified water well driller or a certified pump installer and to repeal obsolete language from the Arkansas Water Well Construction Act.

HB1366, Hammer - To amend the law regarding the priority of distributions from the State Administration of Justice Fund and to make technical corrections to clarify the fund.

SENATE

SB329, B. Sample - An act to amend the powers and duties of the Arkansas Racing Commission.

SB330, K. Ingram - To amend the Arkansas Greyhound Racing Law and to permit a dog-racing franchise holder to request to hold races on the days and during the hours permitted by the Arkansas Racing Commission.

SB331, D. Sanders - To amend Arkansas law concerning restrictions on the employment of former state officials and former state employees and to hold judges to the same employment restrictions as other state officials.

SB332, J. Key - To amend the employer contribution rate for the Public School Employees' Health Insurance Program.

SB334, Files - To reduce the sales and use tax relating to the partial replacement and repair of machinery and equipment used directly in manufacturing; to provide a refund mechanism for certain sales and use taxes and to declare an emergency.

SB335, Irvin - The Arkansas Close to Home Act.

SB338, K. Ingram - Regarding the award of the service pistol, the shotgun, or both upon the retirement or death of an officer of the Arkansas Highway and Transportation Department.

SB339, Rapert - To enact the State Insurance Department's General Omnibus Bill.

SB340, D. Johnson - To amend the Guaranteed Energy Cost Savings Act and to allow state agencies to use maintenance and operations appropriations for debt service related to a guaranteed energy cost savings contract.

## **Notable Resolutions**

SJR17, J. Woods - The Arkansas Independent Citizens Commission Amendment of 2014.

SJR18, J. Woods - The Arkansas Elected Officials Ethics, Transparency and Financial Reform Amendment of 2014.

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## **Calendar (Arkansas Democrat-Gazette)**

LITTLE ROCK — This is a calendar of public events of the 89th General Assembly for today, the 33rd day of the 2013 legislative session.

### **HOUSE**

9 a.m. Aging, Children and Youth, Legislative and Military Affairs Committee, Room 130 9 a.m. State Agencies and Governmental Affairs Committee, Room 151 9 a.m. City, County and Local Affairs Committee, Multi-Agency Complex, Room B 10 a.m. House convenes

### **SENATE**

The Senate is in recess until Monday.

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## **Tax rise OK'd, district ready to start building (Arkansas Democrat-Gazette)**

PEARCY — Lake Hamilton School District officials will move ahead with a projected \$36 million in school construction and renovation.

Voters approved a 3.9-mill property-tax increase Tuesday in the Garland County district.

Complete but unofficial results were: For .....1,248 Against ..... 1,012

Lake Hamilton now will have a school millage rate of 40.6 mills. The owner of a \$50,000 house will pay an additional \$39 a year, raising the school taxes for that property owner to \$406 a year. The owner of a \$100,000 house will pay an additional \$78 a year in school taxes, or total school taxes of \$812 a year.

The district says projects include:

Almost totally replacing Lake Hamilton Middle School with a new building. The band facility and the sixth-grade building will be incorporated into the new building, officials said.

Additional classrooms at Lake Hamilton Primary School, Lake Hamilton Junior High School and Lake Hamilton High School. A new agricultural science building will be constructed for junior high and high school students. The district says it also will establish a new prekindergarten program for 4-year-olds at Lake Hamilton Primary School.

A new multipurpose athletic facility.

To finance the construction and renovations, the district has a four-point plan that includes the school-tax increase. Other parts of the plan are to use \$4 million of existing construction funds, restructure existing debt to generate about \$6.5 million and accept a \$4.4 million contribution from the state.

The district also has applied for additional funds from the state that could increase the state's participation to more than \$6 million.

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## **Revenue for school, court told (Arkansas Democrat-Gazette)**

LITTLE ROCK — A 2010 voter-approved tax to fund construction on Fayetteville High School should not be diverted to other city projects, an attorney for the school district told the Arkansas Supreme Court on Thursday.

Fayetteville attorney Chris Lawson, who represented the school district in oral arguments before the court, said the ballot language for the 2.75-mill increase funding the project provided a clear purpose for the tax revenue.

Lawson said a ruling on a previous lawsuit involving the city and the school district should not apply to the current case because of Act 2231, which was passed by the legislature in 2005, and amended the "total ad valorem rate" to exclude future increases in millage rates "if the additional money is pledged for repayment of a specific bond."

"When the voters of this school district went to the polls in 2010 and voted for a millage increase to be pledged to bonds to finance the second phase of the new high school they were doing exactly what was expressly addressed in Act 2231, so that millage should not be included in the total ad valorem rate for this TIF district," Lawson said.

In 2005, the city established a tax increment financing tax, or TIF, district approving a bond purchase agreement and the issuance of TIF bonds to finance a redevelopment project at College Avenue and Mountain Street.

About 30 days after the project was approved, the legislature passed Act 2231.

The city filed for a declaratory judgment to clarify the definition of "total ad valorem rate" as it should be used for the TIF district and Circuit Judge Kim Smith ruled that Act 2231 should not be applied.

The case was appealed to the Supreme Court and resulted in a judgment that explained how the mills collected by the county should be applied.

In May 2011, the county assessor diverted 1.45 mills of the 2.75 mills - about \$25,000 a year - from the school construction to pay for TIF district bonds, in accordance with the 2007 judgment.

Fayetteville city attorney Kit Williams argued that the court had already made a determination in the case from the 2005 lawsuit and argued that the city was following the law in applying the judgment to the assessor's 2011 certification.

"This declaratory judgment actually seems a little like deja-vu to me," Williams said.

Justice Courtney Hudson Goodson asked whether the cases were actually completely different because they addressed county tax assessments from different years.

Williams said the language in the judgment applied to both because the paragraphs "used the future tense and all spoke about how this whole issue about how to divide these millages - the increments of these millages - should be handled forever."